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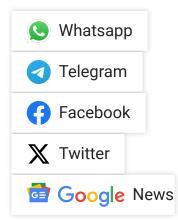




Uzbek Uzhimprom plans to start building \$ 230 million worth tire plant

Business | Materials | 19 February 2013 09:32 (UTC +04:00)

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Uzbekistan, Tashkent, Feb. 18 /

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Uzhimprom State
Joint Stock
Company plans to
start construction
of the tire plant in
Angren (Tashkent
region) with annual
capacity of three
million tires in the
first half of 2013, a
source in the
government circles
told Trend on
Monday.

As previously reported, the original design capacity was estimated to be1.5 million tires, 200,000 agricultural tires and 100,000 linear meters of conveyor belts for cleaning equipment per year.

Later, the government decided to modify the initial feasibility study and double the production capacity - up to three million tires a year to improve the profitability of the project.

According to the modified feasibility study, the plant will cost \$ 230 million, against the previously projected \$ 155 million.

Project will be financed by a loan from the Chinese Eximbank, equity of Uzhimprom and the loan of the Reconstruction and Development Fund of Uzbekistan.

According to the source, the present feasibility study, modified with consideration of increased production capacity, is under consideration of the government.

According to him, it is planned to sign founding documents to establish a joint venture for construction of a plant in early 2013, and start financing and implementation of the project in the first half of the year.

In September 2011, Chinese CITIC Ltd signed a contract with the Uzhimprom SJC for design and turnkey supply of equipment for construction of the plant.

As part of the updated project, the parties plan to establish a joint venture, within which the CITIC will create a consortium with one of the largest tire manufacturers in Asia, part of the global supply chain for the American automobile General Motors, Chinese Linlong Rubber Co. In June 2012, **Chinese Linlong** Rubber Co and **Uzhimprom SJC** signed a memorandum of cooperation, involving a Chinese company in a joint venture for construction of a plant.

The Uzbek side of the enterprise, along with Uzhimprom

SJC, will include the structures of Uzbekneftegaz National Holding Company (NHC) and Uzavtoprom Joint Stock Company (JSC).

Construction of a new facility is aimed at meeting the needs of GM Uzbekistan CJSC JV (Asaka, Andijan region) and Samarkand Automobile Factory. Its commissioning is scheduled for the end of 2016.

The plant will be located on the premises of the liquidated Rezinotekhnika JSC.

Before the collapse of the USSR, Rezinotekhnika was the largest producer of rubber products in Uzbekistan. The design capacity of the enterprise was 120,000 tires for cars and trailers (profile 41/21), nine million pairs of special rubber

shoes, 600,000 square meters of rubberized fabric and one thousand metric tons of rubber per year.

Tags:

General Motors

Uzhimprom

CITIC Ltd

Linlong Rubber Co

tire plant in
Uzbekistan

